

Michael R. Brown, Chairman
Kevin S. Carter, Director

MINUTES OF THE MEETING OF THE
SCHOOL & INSTITUTIONAL TRUST LANDS ADMINISTRATION
BOARD OF TRUSTEES

Date: January 19, 2012
Place: Salt Lake City, Utah

Attending: BOARD

Mike Brown
Dan Lofgren
Steve Ostler
James Lekas
Louis Cononelos
David Ure
Mike Mower

STAFF

Kevin S. Carter
Kim Christy
Doug Buchi
Dave Hebertson
Tom Faddies
LaVonne Garrison
John Andrews
Wendy Peterson
Ron Carlson
Kay Burton
Lou Brown
Will Stokes
Michelle McConkie
Chet Gritzmacher
Nannette Johnson

OTHERS IN ATTENDANCE

Martell Menlove, State Office of Education
Margaret Bird, State Office of Education
Tim Donaldson, State Office of Education
Paula Plant, State Office of Education
Karen Rupp, State Office of Education
John Baza, Division of Oil, Gas, and Mining
Earlene Russell, Division of Oil, Gas, and Mining
Brandon Loomis, Salt Lake Tribune

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Chairman Michael Brown welcomed all in attendance.

1. Approval of Board Minutes

The Board approved Minutes of November 17, 2011.

Mower/Lofgren

“I move that we approve the Board minutes of November 17, 2011.”

Roll Call:

Mike Brown – yes	Dan Lofgren – yes
James Lekas – yes	Steve Ostler – yes
Dave Ure – yes	Louis Cononelos – yes
Mike Mower – yes	

2. Confirmation of Upcoming Meeting Dates

February	No Meeting
March 15	Salt Lake City
April 11	Board Tour - St. George
April 12	St. George
May 17	Salt Lake City

3. Chairman’s Report

a. Beneficiary Summary of How Funds Were Used in 2011

Karen Rupp presented an overview of how trust funds benefit schools around the state. The presentation highlighted several schools and programs that are making a difference. The schools are using funds to hire specialized tutors, advance technology, expanding math and music programs in unique ways and making use of technology to support higher levels of student involvement in the classroom. Results included up to four levels of reading skill in a single school year, teacher improved ability to identify struggling students, individual student confidence and personal achievement. The presentation included gratitude for the funds and those who work hard to make them available.

Mike Mower thanked the beneficiaries for the report and bringing the positive reports to the Board meeting. He asked that a thank you go back to school staff members who direct the money for maximum benefit.

Director Carter mentioned that the agency always likes to hear about the great things implemented by the schools. He added the funds reflect the focused efforts of many individuals.

b. Section 29 Update (Closed Session)

The Board went into closed session at 9:18 a.m.

Lofgren/Ure Unanimously approved.

3. Chairman's Report (Cont'd)
b. Section 29 Update (Closed Session) (Cont'd)
-

"I move we go into closed session for the purpose of a strategy session to discuss the purchase, exchange, or lease of real property."

Roll Call:

Michael Brown – yes	Dan Lofgren – yes
Louis Cononelos – yes	Steve Ostler – yes
Dave Ure – yes	Jim Lekas – yes
Mike Mower – yes	

Those in attendance for closed session included Board members, Kevin Carter, Margaret Bird, Martell Menlove, Tim Donaldson, Paula Plant, Karen Rupp, and Nannette Johnson.

Upon motion by Dave Ure, seconded by Mr. Mower, the Board returned to open session at 9:48 a.m.

4. Director's Report
a. Utah State Auditor's Office Report

Director Carter reported that statute requires the completion of an audit every year. Auditors typically identify a few problem areas for improvement. This year it was a clean audit. Auditors had no suggestions and no concerns. The agency is pleased with the report.

In the past, we have asked the auditors to add our unique procurement process to the audit. The Board expressed no interest in a procurement audit at this time and suggested we pursue an audit again in the future, possibly when the real estate market begins to grow again.

Dan Lofgren expressed recognition of Director Carter and the staff for the extraordinary work it takes to have a result of no finding in an audit of this nature. Mike Brown mentioned he has been at audit closeout meetings and agreed they rarely have no findings to address.

Margaret Bird recognized Chet Gritzmacher and Lisa Schneider for the diligent monitoring they conduct of financial transactions. Director Carter pointed out that Mr. Gritzmacher has become a "watch-dog" of contracts and the Director depends on him to conduct a thorough review of the contract before he agrees to review and sign any contract. Director Carter indicated the agency would make every effort to maintain the standard.

Dave Ure asked to receive a copy of the audit report for future reference. A copy of the audit will be provided for all Board members.

- b. 2012 Board Meeting Agenda Items
i. Consideration of a Coal Mine Tour in April

Director Carter shared with the Board an interest expressed for a trip into a coal mine (instead of a St. George tour of the development properties). Tom Faddies determined that Pacific Corp would host a tour of the Deer Creek Mine. Director Carter recommended the tour be of a modern coal mine and not a tourist-type presentation. He added the mine tour could be in the morning with an afternoon tour of the power plant.

4. Director's Report (Cont'd)
 - b. 2012 Board Meeting Agenda Items (Cont'd)
 - i. Consideration of a Coal Mine Tour in April (Cont'd)
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Chairman Brown asked for feedback from the Board members. The Board unanimously agreed to a mine tour in April. They also expressed a preference to stay in Emery County for the Board meeting the day after the tour. Director Carter mentioned there would be people who would like to have a reception opportunity and visit with the Board about the county land bill while there.

Dan Lofgren asked if the agency needed to identify another opportunity to visit St. George. Mr. Lofgren also mentioned that residential construction has increased and there is a noticeable change in the area. Mr. Lekas, as a new Board member, has not toured the development properties in St. George. Director Carter asked if Mr. Lekas had an interest in visiting St. George this year. Mr. Lekas noted preference to a coal mine over a shopping mall any day.

Director Carter presented legislative information relevant to the upcoming general session. The Board approved asking for:

- The on-going budget
- One-time request for funding to continue our right-of-way project with the counties
- One-time funding request for land exchange completion work
- An FTE for the Gas and Oil work group

The agency also asked for the creation of an additional line item. Instead of having two: the agency operating budget and capital budget, we would have a third budget to include a stewardship budget. About \$500,000 from the capital budget is money originally used for stewardship and block management projects. The agency is not requesting additional funding, but to move money in the capital budget and appropriate it to a stewardship budget.

The Governor released his budget recommendation about a month ago. The Governor did not approve the one-time right-of-way money in the budget and only recommended funding for one year on the new FTE. The agency is going to continue to follow Board recommendations and work with the fiscal analyst for continued funding for the right-of-way and to hire the oil and gas person on an on-going basis. It will be hard to attract a valid candidate if we can only offer a job for one year. The agency will continue to push forward with the legislature on the Board approved budget.

Chairman Brown asked if Board members should plan to be at any of the legislative meetings. Director Carter indicated there would be an opportunity for the Board to participate in budget hearings. Chairman Brown asked that the Board be notified when Director Carter finds out the schedule for a budget hearing. Director Carter reviewed the typical process of the legislature dividing themselves into committees and subcommittees. The executive appropriation committee deals with all budget matters. The SITLA subcommittee is the natural resources, agriculture, and environmental quality subcommittee. Each agency will be given time at one of their meetings to make their pitch. At that time, the Legislative Fiscal Analyst discloses his recommendation to the legislature about what he is recommending. The agency has worked closely with the fiscal analyst and been able to justify the requests made. What the fiscal analyst recommends is not the final. There is still an opportunity to talk with individual members of the committee to seek their assistance in support of the budget the Board approved.

Chairman Brown asked about additional FTE for the Minerals group. Director Carter indicated the decision was to wait a year before pursuing that FTE.

- 4. Director's Report (Cont'd)
 - b. 2012 Board Meeting Agenda Items (Cont'd)
 - i. Consideration of a Coal Mine Tour in April (Cont'd)
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Mr. Cononelos asked about the logic or reasoning for an FTE funded for one-year. Director Carter indicated he does not know about the thinking behind that decision and speculated that the Governor is known for running a very lean and tight ship. Any request to add to the payroll is contradictory to those efforts. The decision is possibly a broad approach to all requests for additional FTEs.

Another issue before the legislature is a bill that Representative Noel is running for the agency. The bill deals with a recent ruling in the Utah Supreme Court where the court held that oil and gas is not a mineral for the purposes of exercising eminent domain for access. The agency has been negotiating with industries including hard rock, oil and gas, farming, and ranching to try to come to a middle of the road solution that can gain support for the legislation. The discussions have brought some support and we are close to full support. The agency is watching to see what other bills are introduced.

The agency is following split estate legislation, which tries to broker a solution between a surface owner and a mineral owner when they are not the same party. The agency will follow that closely as SITLA is often the mineral owner in those scenarios.

c. Discussion of Retention Statement for Large Blocks

Director Carter introduced the topic of large land blocks and asked if the Board would like to discuss a long-range strategy for SITLA's response to inquiries into large blocks. There are approximately 60 blocks of land around the state. When the agency completes the recreation exchange, we will pick up land to increase the size of the Book Cliff block. It will then be the largest block, if it is not already.

In the middle of the state is a block referred to as Cedar Mountain, which generated this discussion. A group of individuals recently expressed interest in acquiring that block of land. The inquiry re-introduced the concept of what approach is best on the sale of large blocks.

Historically, the Tabby Mountain block had interested buyers. The offers were in the \$20-40 million range for the full acquisition. The Board decided at that time they were not interested in having Tabby on the market at \$40 million. At that time, the Board indicated that if someone made an offer we could not refuse we would think about it.

SITLA is not proactively marketing any large block of property for disposal. Although the agency has talked with entities about the Monte Cristo Block where there is an interest in development on that property. Overall, there is not much movement on any blocks. When someone expressed interest in purchasing a large block at Cedar Mountain the agency felt it was time to bring the subject to the Board to determine if a standardized response to a request like this could be outlined.

Mr. Ure discussed the controversy the agency went through with public ridicule on the Tabby Mountain issue some 14 years ago. He did not recall that any philosophical resolve came from the outcry over the sale of the property. He indicated he does not know how you make a policy on these things until people start making an offer. Once a policy is established people may begin to seek ways to leverage the agency into a situation.

4. Director's Report (Cont'd)

c. Discussion of Retention Statement for Large Blocks (Cont'd)

Chairman Brown recalled that the agency did not say the land was not for sale. Rather, everything is for sale at a certain price, but there were so many political issues that the Board said it is not for sale at that price. The Division of Wildlife wanted the property but did not make an offer that could be considered.

Mike Mower pointed out the fiduciary responsibility prevents the Board from making any blanket announcements one way or another. In its role as trustee, the agency must look at any offer and decide what is in the best interest of the beneficiaries.

Director Carter stated that from a philosophical standpoint the blocks present some issues. The agency has gone on record with land exchanges, which at times results in acquiring a large block of land. If it is a block of land that has a readily developable resource, it has been a good thing for the agency. Historically, SITLA has been able to broker some lucrative opportunities.

The downside of a block is that sometimes there develops a romantic attachment, which can cause loss of sight of what might be in the best interest. Citizens became vocal about SITLA selling the Tabby block because they had acquired family equity in the property. That is to say the land is where grandpa hunted they want it to continue to be a place for the family to go hunting.

Mike Mower added that the Governor's Office received letters from school boards in Duchesne and Wasatch County asking that Tabby Mountain not be sold.

Director Carter pointed out that some blocks may not be assets. When someone showed interest in buying Cedar Mountain, it was great because the agency is not earning much at Cedar Mountain.

Mr. Lofgren indicated it was probably a good idea for the Board to have an organized posture to consider any offer on a case-by-case basis.

Chairman Brown recommended a structured policy organized by the Director dealing with the consideration for disposal of large blocks.

Mr. Cononelos suggested taking the comments provided by Mr. Lofgren and Chairman Brown to create a policy for the agency as a reference regarding disposal of large blocks.

Chairman Brown indicated that as the administration changes over the years, it would be good to have a policy that stays in place. Director Carter will prepare policy for review by the Board.

d. Associate Director's Report

i. Public Land and County Land Update

John Andrews provided the Board with an update on the changes associated with Appendix 5 and the management of sage grouse habitat and population. Litigation in the district of Idaho brought by the Western Watersheds Project, has forced the BLM to radically revise land management policies and address the sage grouse. Additional litigation in the federal district in the District of Columbia led to a settlement between Fish and Wildlife and the environmental plaintiffs. The litigation is driving changes in management of public lands specifically in the area of sage grouse habitat. Changes will have a direct impact on SITLA. There is uncertainty of how Utah will address the sage grouse issue in terms of

4. Director's Report (Cont'd)
 - d. Associate Director's Report (Cont'd)
 - i. Public Land and County Land Update (Cont'd)
-

potential state regulation of private and school trust lands. The Fish and Wildlife Service agreed that by December 30, 2015, they would make a determination of whether the sage grouse warrants listing.

The Western Watersheds Project did not accept that settlement. They are moving forward to seek an immediate listing. There is a preliminary injunction hearing beginning on April 9, in which the group will address sage grouse habitat in the west. The habitat includes 15% of Utah where it is proposed:

- there will be no new fences constructed
- no grazing after August 1st annually
- grazing banned in all nesting and brood rearing habitat (lek) prior to July 1
- twice over grazing banned
- no mineral leases issued in habitat
- no wind farm or towers within five miles of leks
- no surface disturbance within three miles of any lek that has been active in the last ten years

This applies to all BLM land or land intermingled with BLM land. The litigation may not be successful and the court may choose to wait for the December 30, 2015, determination.

In the interim, the BLM is seeking to head off the listing, as is the Utah State Government. The BLM has issued an instruction memorandum that will govern activities on BLM lands in relation to the sage grouse. Relevant to SITLA is that any disturbance involving more than two acres would trigger significant protection. Trust lands are so intermingled with BLM lands, that a disturbance on trust lands will come within the instruction memorandum.

The Board should also be aware the state is trying to work with the Fish and Wildlife Service to develop a management regime on state and private lands including trust lands. There will be a meeting early next week for land managers, followed by a public meeting on Thursday to discuss the regime.

The Fish and Wildlife Service is preparing policy while negotiations continue. There is nothing to ask of the Board at this time other than to be aware of the issue.

Mr. Cononelos pointed out that the Board will not meet again until March. He requested the Board be kept closely informed on the changes related to the sage grouse issues.

Land Exchange

Mr. Andrews presented an update on San Juan and Emery counties and stakeholders' potential for land bills in those counties. There has been some uncertainty if the legislature wanted to have a say or opportunity to provide input. It looks as though San Juan and Emery Counties want to move forward with land bills. The agency is continuing to prepare county land exchange bills to trade out of the San Rafael Swell area and the southwest portion of the San Juan County and potentially out of portions of the Book Cliffs in Emery County.

The decision is pending legislative input to move forward. The agency does not generate many funds out of either area of the Swell or out of southwest San Juan so there is an ability to use the process to put the school trust in a more favorable economic position.

- 4. Director's Report (Cont'd)
 - d. Associate Director's Report (Cont'd)
 - i. Public Land and County Land Update (Cont'd)
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Western States Land Commissioners Association (WSCLA) Legislation

A priority for WSCLA is legislation SITLA helped draft that allows states to relinquish land within federal conservation areas and use the existing indemnity selection process to select replacement lands. The association made that a priority. The agency is working with various congressional delegations around the west. The Board may see legislation introduced in the coming months.

Legislation pending in congress involving similar selection issues inside the Hill Creek extension of the Ute Reservation may have a greater chance of passing, as the legislation may potentially go through the Indian Affairs Committees rather than the gridlocked Public Lands Committees.

A final issue requesting input from the Board is with the recreation exchange, which is a trade of about 45,000 acres of school trust lands mostly in the Moab areas for about 35,000 acres of BLM land in Uinta Basin. The recreation exchange passed congress in 2009. The agency has been told continually that the BLM has no funding for their share of the necessary appraisals. BLM offered that if SITLA funds the entire appraisal process BLM will compensate the agency in the form of land at the close of the exchange. The initial funding for mineral appraisals and hazmat inspections is estimated to be about \$350,000. Approximately \$175,000 will be the BLM share. It is our inclination to move forward and pay the whole, which will involve some risk if the exchange fails. The agency believes there is enough political momentum behind the exchange to move forward. However, this process will not move forward for a week or so. If the Board or Beneficiaries have any questions, the agency would be happy to answer them.

Chairman Brown asked Mr. Andrews to review how the cost of appraisal will split with BLM. Mr. Andrews indicated that at the end of the bidding process we will have a better idea of the total cost. At this time, a best guess would be between \$200,000 to \$250,000 for mineral appraisals, \$75,000 to \$100,000 for the hazmat, and probably \$300,000 for the surface appraisals. SITLA's share would be half of the total costs.

Chairman Brown asked if there is opposition from Board members to proceed with payment of appraisals for the exchange. The Board expressed no opposition.

Mr. Ure mentioned that he and Mike Mower were at the WSLCA conference and they had the opportunity to talk to Mr. Nedd, with BLM in Washington D.C., who kept saying everything was possible if we go through our state director. Based on that response, Mr. Ure asked if the state director is being responsive to agency needs.

Mr. Andrews indicated we have the ability, when truly necessary, to visit directly with the BLM director in Washington DC and his staff. The agency has not been concerned with state level discussions. The lack of budget has been frustrating for a trivial amount of money compared to the overall BLM budget.

Mr. Andrews indicated his understanding is that Mr. Palma has been a proponent on the Recreation Exchange to support funding. Based on Washington policy, local people, including the state directors, will not engage on matters that are going the legislative route.

Director Carter pointed out that the Department has gone on record in a congressional hearing supporting a county-by-county approach.

- 4. Director's Report (Cont'd)
 - d. Associate Director's Report (Cont'd)
 - i. Public Land and County Land Update (Cont'd)
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Margaret Bird asked for clarification on appraisal cost recovery by SITLA. Mr. Andrews reported that the risk is real. If the deal fails to complete, the agency will lose the investment of appraisals. Ms. Bird asked if it is prudent to proceed under these terms.

Director Carter and John Andrews indicated the alternative for the agency could be to terminate the exchange. Director Carter stated that, from the agency perspective, it has taken five years to get the exchange through congress and over two years for BLM to say okay we are ready to start. He added that if the agency is going to do this, it is time to do it.

Margaret asked what our delegation is doing. She pointed out Senator Hatch has a difficult race coming up and she wondered why the agency is not getting some of these people to be spear-carriers for the agency. She added it is mind boggling that an agency that has over a billion-dollar budget cannot come up with their half of appraisal costs when congress mandated it.

Chairman Brown indicated that not all the costs would be at risk as the hazmat study has ongoing value.

Director Carter agreed there is some value but the agency has not approached the issue in that way. The agency looks at it much in the way Margaret has raised the concern. The agency realizes there may be an expenditure and nothing to show for it.

Tim Donaldson asked if BLM intends to reimburse the agency with land why not do that now instead of at the end of the exchange.

Mr. Andrews indicated this proposal is based on BLM federal regulations. They cannot convey land to pay for something, but they can adjust final exchange values at the end to accommodate another party having borne a disproportionate share of costs.

Tim asked if the arrangements for exchange at the end of the deal would be in writing. Director Carter confirmed the deal would be in writing.

Margaret pointed out that a challenge may arise if SITLA controls the appraisal process. Director Carter indicated the appraisal process is jointly controlled. Mr. Andrews provided the perspective that by using the established SITLA procurement process rather than run the appraisals through the federal procurement process it will likely be cheaper overall.

Mr. Andrews added that SITLA has an agreement with BLM on mineral appraisal standards. Director Carter pointed out that it will be cheaper if we do not run appraisals through the federal process but manage the appraisal bid according to the process established with the bill.

Chairman Brown suggested that Ms. Bird take time to think about the land exchange for appraisal costs. Margaret expressed an interest in seeking a resource to place pressure on BLM to use funds to pay their share of the appraisal costs.

Board members expressed agreement with Ms. Bird's frustrations, yet felt it would be best to move forward with the proposal. Mr. Ure pointed out if the BLM comes through with the money before the deal ends they can still pay their share in cash rather than land.

4. Director's Report (Cont'd)
 - d. Associate Director's Report (Cont'd)
 - i. Public Land and County Land Update (Cont'd)
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Chairman Brown encouraged Ms. Bird to take the next week and make some calls in the effort to seek pressure for the BLM to pay their share of the appraisals. The Chairman agreed to meet with Ms. Bird at her request if she is able to get some commitments that would make the Board want to consider delaying the appraisal process. Otherwise, the Board will encourage the agency to move forward with the proposal after a week's time.

Ms. Bird stated that this is a shame and the shame is on the U.S. government.

Kim Christy returned to the sage grouse discussion and asked Mr. Cononelos if he would expound on Wyoming's situation. Mr. Cononelos indicated the agency might not be able to capitalize on Wyoming's actions. Wyoming started the process about five years ago when the BLM and the federal government accepted the Governor's proclamation. Stakeholders were involved in the issue for a number of years.

Mr. Andrews indicated that one criterion for endangered species is whether there are "adequate regulatory mechanisms to protect the species in the absence of a listing." In Wyoming, about 95% of the state is sage grouse habitat. What they did was to designate core areas and non-core areas. Wyoming allowed development in Pine Dale, which is an enormous world-class natural resource with natural gas, and agree to sacrifice development in other identified sage grouse habitat.

Mr. Andrews reported that the current Utah strategy does not include a core, non-core approach. Instead, protections exist for sage grouse even in marginally populated areas. Potentially, the Utah strategy takes more land off the table from development than a Wyoming-type strategy would. Therefore, the DWR process needs some serious scrutiny from state agencies and the private sector to make sure there are adequate regulatory mechanisms. Otherwise, if the court in Idaho rules unfavorably then we are "in the soup."

Mr. Cononelos responded that the detail provided is accurate. His point was that the agency does not have the time or the resources that Wyoming devoted to resolving this issue. For Wyoming's purpose, the issue is resolved unless the species is listed.

- e. Assistant Director's Report - - Oil and Gas
 - i. Mineral Literacy Program Presentation by John Baza

Mr. Baza presented the Mineral and Petroleum Literacy program to the Board through a power-point presentation as follows:

Utah Quick Facts

- Utah contains four of the nation's 100 largest oil fields and two of its 100 largest gas fields
- More than four-fifths of Utah households use natural gas for home heating
- Coal bed methane accounts for nearly one-fifth of Utah's natural gas production
- Utah is one of the few states with electricity generation from geothermal power sources
- Utah has enormous deposits of oil shale rock, known as marlstone, which can be converted into crude oil

4. Director's Report (Cont'd)
 - e. Assistant Director's Report - - Oil and Gas (Cont'd)
 - i. Mineral Literacy Program Presentation by John Baza (Cont'd)
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Per capita Energy Consumption – 2009

- Utah – 271.3 million BTUs per person, ranking it 38th among states (and DC)
- U.S. average – 308.0 million BTUs per person
- Who was number one?
 - Wyoming – 955.8 million BTUs per person
- Who was last?
 - New York – 195.6 million BTUs per person

How can we better educate the people of Utah concerning mineral and energy production in Utah?

- Spring 2012 – began brainstorming ideas on public outreach
- Summer legislative interim meeting in 20120
- Interest by Representative Draxler in sponsoring bill
- HB 25 introduced, discussed, and passing in General Session of 2011
- Initial public opinion survey performed by Dan Jones & Associates in fall of 2011
- Focus on in-school program for FY 2012

Survey results of impressions and attitude were presented with charts illustrating 44% favorable opinion of mining and 56% favorable to oil and gas.

Conclusions are:

- Important to state and national Economy
- Mining is viewed as essential to US and Utah economies
- Residents do not want to be reliant on other countries for minerals, oil and natural gas
- Utahns understand the importance of these natural resources in their lives

Act Responsibly

- Access to the minerals is important, but not at the cost of the environment.
- Utahns are only somewhat confident that technological advances have made mining safer for the environment
- Both industries receive only average marks on reclamation efforts

Utahns Want Alternative Energy Options

- Utahns are receptive to switching to alternative energy sources
- Residents even indicate that they are willing to pay more for use of alternative energy sources

DOGM's Contracting of Fluid Studio

- www.fluid-studio.net
 - State approved vendor
 - Marketing, branding, messaging strategy
- Developed a first-year pilot program for 4th grade classes

Teacher Workshops

1. Goal: train 100 Utah 4th Grade Teachers in winter of 2012
 - 13 Districts
 - 113 Schools
 - 100 teachers
2. Proposed Scheduling Timeline
 - January 1-31 – 3 workshops
 - Murray, park City, North and South Summit, Wasatch, Carbon/Emery
 - February 1-28 – 4 workshops
 - Canyons, Jordan, Uintah/Daggett, Ogden/Morgan

4. Director's Report (Cont'd)
 - e. Assistant Director's Report - - Oil and Gas (Cont'd)
 - i. Mineral Literacy Program Presentation by John Baza (Cont'd)
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3. Districts/Schools recruited for DOGM by region

- Wasatch Front – 82 Schools
- Central Utah – 11 Schools
- Wasatch Mountains – 10 Schools
- NE Utah – 10 Schools

Public Relations by a Government Entity

- A poster contest for 2012 Earth Day is taking place from December 5, 2011 to February 15, 2012
- Mr. Baza showed a public relations video from Oklahoma to demonstrate that an education effort by government entities in other states has been successful.

In summary...

- Through HB 25 and the Mineral and Petroleum Literacy Program, public education and outreach are now clearly a statutory function of DOGM
- The Dan Jones survey provides some target areas where we can focus our efforts
- The first year's objectives are dedicated to a pilot program in 4th grade classrooms
- Educational outreach by government entities such as Oklahoma, Kansas, Illinois, and Indiana

Chairman Brown indicated three agenda items remain and the meeting is beyond the allotted time. The first is a consent calendar item, an OBA presented by LaVonne Garrison, a notification discussed by Kim Christy, and Director Carter is prepared to discuss the Fee Waiver Report. Chairman Brown asked if there are any questions on those items that the Board wants to discuss.

No comments were introduced.

5. Consent Calendar
 - a. Ute Energy OBA on a Mineral Interest within Boundaries of Uintah/Ouray Tribal Lands -
- LaVonne Garrison

There were not comments on this item, so it is approved.

Notification

- b. Proposed Development Lease Amendment DEVL/SULA 1467 and New Commercial
Lease DEVL 1467-A with Zion Mountain Land Holdings LLC

This was for notification to the Board. There were no comments.

- c. Fee Waiver Report

There were no comments on this report.

- d. Follow-up after Six Months

There were no follow-up items for this meeting.

Upon motion by Mr. Cononelos, the Board adjourned at 11:48 a.m.